

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 19019
[Redacted],)	
)	DECISION
Petitioner.)	
_____)	

On July 18, 2005, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted](taxpayer), proposing income tax, penalty, and interest for tax years 2000 through 2003 in the total amount of \$105,588.

The taxpayer protested the determination. He did not request a hearing, but did submit Idaho individual income tax returns for years 2000, 2001, and 2002. The Tax Commission, having reviewed the file, hereby issues its decision based thereon.

Idaho Code § 63-3030 states:

63-3030. Persons required to make returns of income.

(a) Returns with respect to taxes measured by income in this chapter shall be made by the following:

(1) Every resident individual required to file a federal return under section 6012(a)(1) of the Internal Revenue Code).

(2) Any nonresident individual having for the current taxable year a gross income from Idaho sources in excess of two thousand five hundred dollars (\$2,500), or any part-year resident individual having for the current taxable year a gross income from all sources while domiciled in or residing in Idaho, and from Idaho sources while not domiciled in and not residing in Idaho, which in total are in excess of two thousand five hundred dollars (\$2,500);

Information available to the Tax Commission indicated the taxpayer was an Idaho resident who met the requirements for filing Idaho resident income tax returns during the years in question. Because the Tax Commission's files did not include the taxpayer's Idaho income tax

returns, the Bureau prepared Idaho individual income tax returns on the taxpayer's behalf and issued a NODD, which the taxpayer appealed.

In his letter of protest, the taxpayer admitted he was an Idaho resident with an income tax filing requirement. He objected to the NODD because it did not include the basis of stock sale transactions and numerous deductions or allow credit for taxes paid to the state of [Redacted]. He said, "I am in the process of gathering the information needed to file my income tax returns."

Subsequently, the taxpayer submitted his 2000 through 2002 Idaho returns. The Bureau notified the taxpayer the returns were accepted as filed, and the NODD addressing taxable years 2000, 2001, and 2002 was canceled.

After allowing the taxpayer time to prepare the last missing return, the taxpayer's file was transferred to the Legal/Tax Policy Division for administrative review. Additional time was allowed; however, the taxpayer's 2003 Idaho individual income tax return was not filed.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Comm'n, 110 Idaho 572 (Ct. App. 1986). The burden is on the taxpayer to show that the tax deficiency is erroneous. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

The taxpayer has failed to file his 2003 Idaho individual income tax return. Absent information to the contrary, the Tax Commission accepts the Bureau's calculation of Idaho income

tax due for those years. No withholding was identified; however, an \$8,000 tentative payment was allowed to offset a portion of the tax due.

WHEREFORE, the Notice of Deficiency Determination dated July 18, 2005, is hereby MODIFIED and, as so modified, is APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER the taxpayer to pay the following tax, penalty, and interest for tax year 2003:

<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$15,532	\$3,883	\$2,572	\$21,987

Interest is calculated through January 15, 2007.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the petitioner's right to appeal this decision is included with this decision.

DATED this _____ day of _____, 2007.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____, 2007, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[Redacted]
[Redacted]

Receipt No.
